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TANF: Maine's Welfare Program **Fact Sheet**

Welfare reform in 1996 led to the creation of the Temporary Assistance for Needy Families (TANF) Program by Congress replacing the former Aid to Families with Dependent Children (AFDC) Program. When implementing welfare reform at the state level, Maine chose a strategy of investment. Maine's TANF program helps families overcome barriers to work through training, education and supports. The goal is to help families, not only to move from welfare to work, but ultimately to leave poverty behind forever.

The Basics

- The TANF Program provides cash assistance; employment, training and education opportunities; and work supports, such as childcare, to low-income parents with children.
- Most parents receiving TANF are *required* to participate in a work activity for 30 hours per week. Failure to participate results in a loss of benefits to the family.
- The number of families receiving TANF cash assistance dropped by nearly half (49.8%) between June 1994 and June 2006.
- TANF families in Maine have an average of 1.8 children. Maine families generally have an average of 1.78 children and the U.S. average for the general population is 1.86.

Maine's TANF Program Receives National Recognition

- Maine ranks fifth highest in the nation in job retention for former TANF recipients, contributing to its receipt of a High Performance Awards from the federal government for the last four years.
- The Parents as Scholars program has helped thousands of TANF-eligible parents obtain a post-secondary degree in order to gain the needed skills to secure a well-paying job. The Parents as Scholars program has been nationally recognized and received several awards including the 2005 Excellence Award from the New England Board of Higher Education.
- Maine's ASPIRE Program (the employment and training program for TANF families) received the Women in Business Champion Award from the United States Small Business Administration in 2005.

Myths and Facts

Too often discussions about programs like TANF are informed by myths, not facts. TANF program provides a vital safety net to nearly 25,000 Maine children. The well-being of these children and their families is at stake every time this program is debated. It is, therefore, essential that people understand the real facts about Maine's TANF program and that program policy be based on those facts. Here are some of those common myths countered by the facts about Maine's TANF program:

***Myth:* A significant amount of Maine's general fund dollars go to cash assistance to support families receiving welfare.**

***Fact:* TANF spending amounted to only 1.3% of the State's general fund budget in 2006.**

***Myth:* Maine's TANF benefits are too generous and encourage people to move to Maine from other states.**

***Fact:* Maine's maximum monthly TANF benefit is the very lowest in New England.** Maine's maximum benefit for a family of three is \$485/month, which is only 34% of the poverty level (\$1431/month). Even when food stamps are added, TANF families reach only 65% of the poverty level.

Data from the state's Department of Health and Human Services clearly illustrates that people are not moving to Maine for our benefits. DHHS compiled data about the relocation patterns of people receiving assistance from TANF, Food Stamps and MaineCare. It found:

- Less than 1 percent of all 2006 recipients came to Maine from another state.
- From October 2002 – October 2006, nearly *six* times as many aid recipients *left* Maine each month as the number who moved here.
- Of those who had come from elsewhere, nearly one-third had Social Security numbers issued in Maine. This suggests that a large number of these individuals were originally from Maine and were simply coming home.
- Finally, there was no significant difference in migration patterns between aid recipients and the rest of the population. People receiving assistance generally came to Maine from the very same states in the same percentages as the rest of the population. If people really were looking for more generous benefits we'd expect a different pattern - a greater proportion would be coming from states with lower benefit amounts.

***Myth:* There's a lot of fraud in the welfare system—people are getting benefits even when they don't qualify.**

***Fact:* Actual fraud is found in only about 2/10th of 1% of all TANF cases—that means that 99.8% of families do not commit fraud.** There are strict eligibility requirements that families must meet in order to qualify for TANF benefits. Eligibility is reviewed every six months and

families must report any change in circumstances within 10 days. The Department verifies information about income and assets by computer checks with other government agencies such as the Department of Labor, bank accounts and access to other public benefits like Social Security.

***Myth:* Once on welfare, always on welfare. Lots of families go on welfare and stay on for years and years.**

Fact: Less than 1/10th of 1% of all families who received TANF at the beginning of the program in 1996 continue to receive it today. The average length of time that Maine families stay on TANF is 21 months.